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J. Stephen Peek, Esq., NV. Bar No. 1758
 Elissa F. Cadish, Esq., NV Bar No. 4273
 Scott D. Fleming, Esq., NV Bar No. 5638
 Matthew J. Kreutzer, Esq., NV Bar No. 8834
 Hale Lane Peek Dennison and Howard
 3930 Howard Hughes Parkway, Fourth Floor
 Las Vegas, Nevada 89169
 Telephone: (702) 222-2500
 Facsimile: (702) 365-6940
 Email: mkreutzer@halelane.com

Attorneys for Rolland P. Weddell
 And Spectrum Financial Group

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re:

USA COMMERCIAL MORTGAGE COMPANY
 Debtor.

Bankruptcy No. BK-S-06-10725-LBR

Bankruptcy No. BK-S-06-10726-LBR

In re:

USA CAPITAL REALTY ADVISORS, LLC
 Debtor.

Bankruptcy No. BK-S-06-10727-LBR

Bankruptcy No. BK-S-06-10728-LBR

In re:

USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC
 Debtor.

Bankruptcy No. BK-S-06-10729-LBR

(Jointly Administered)
 Chapter 11

In re:

USA CAPITAL FIRST TRUST DEED FUND, LLC
 Debtor.

**DECLARATION OF MATTHEW J.
 KREUTZER IN SUPPORT OF
 ROLLAND P. WEDDELL AND
 SPECTRUM FINANCIAL GROUP'S
 MOTION FOR RELIEF FROM
 AUTOMATIC STAY**

(Affects: All Debtors)

In re:

USA SECURITIES, LLC

Debtor.

Hearing Date: August 4, 2006
 Hearing Time: 1:30 p.m.

MATTHEW J. KREUTZER, ESQUIRE, deposes and says:

1. I am an attorney with the law firm Hale Lane Peek Dennison and Howard, which represents Movants Rolland P. Weddell and Spectrum Financial Group (collectively, "Movants") with respect to their appearance in this action. I also represent Movants with respect to their litigation against USA Commercial Mortgage Company ("USA"), which is currently pending in the United States District Court for the District of Nevada, Case No. 2:01-cv-0355-KJD-LRL (the "Action").

2. I make this declaration in support of Movants' motion, pursuant to § 362(d)(1), for an Order modifying the automatic stay on actions with respect to debtor USA to permit the Action to continue (the "Motion"). I am over eighteen years of age and have personal knowledge of the matters set forth below or state the same based upon knowledge and information that I believe to be true.

3. Movants' claims in the Action are described in Movants' Fourth Amended Complaint. A true and correct copy of the Fourth Amended Complaint is attached to the Motion as Exhibit B.

4. In the instant bankruptcy case, USA has explicitly admitted to, in some instances, making payments to the beneficiaries of certain non-performing loans, so that the loans did not go into default. I obtained from PACER one such document in which USA admits to this practice. Specifically, USA makes this admission in its USA's Reply Brief in Support of its Motion for Order Under 11 U.S.C. §§ 105(a), 345, and 363, a true and correct copy of the filed Reply Brief from PACER is attached to the Motion as Exhibit C.

5. As described in the Motion, in 2003, Principle Centered, Inc. ("PCI") and its subsidiaries, which were parties to the Action (along with Movants) filed for bankruptcy. In the bankruptcy case, this Court held an auction for the sale of claims held by those entities. Movants successfully bid on and were assigned PCI's (and PCI's subsidiaries') claims, and have asserted the assigned claims in the Action. A true and correct copy of the filed Order Approving Sale of Claims to Spectrum Financial Group, dated November 18, 2002, which I obtained from PACER, is attached to the Motion as Exhibit D.

6. A true and correct copy of USA's counterclaims in the Action, as filed on PACER, is attached to the Motion as Exhibit E.

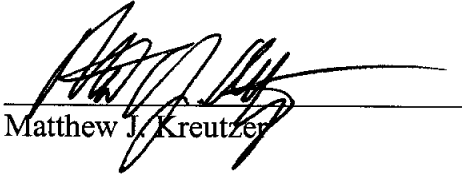
7. During the bankruptcy proceedings for the PCI entities, those entities offered to allow this Court to finally adjudicate all claims that were then (and are still) pending in the Action. USA and its co-defendants, however, specifically refused to consent. This is reflected in the Court's Order dated January 17, 2002. A true and correct copy of the Order as filed on PACER is attached to the Motion as Exhibit F.

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1 I declare under penalty of perjury that the foregoing is true and correct.

2 Executed this 11th day of July, 2006, in Las Vegas, Nevada.

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Matthew J. Kreutzer

Hale Lane Peek Dennison and Howard
3930 Howard Hughes Parkway, Fourth Floor
Las Vegas, Nevada 89169

CERTIFICATE OF MAILING

I certify that on the 12th day of July, 2006, I served a copy of the **DECLARATION OF MATTHEW J. KREUTZER IN SUPPORT OF ROLLAND P. WEDDELL AND SPECTRUM FINANCIAL GROUP'S MOTION FOR RELIEF FROM AUTOMATIC STAY** by depositing a copy of the same in a sealed envelope in the United States mail, Reno, Nevada, first-class postage fully prepaid, or by electronic notification and addressed to the persons as follows: See attached list.

Electronic notice to:

- **FRANKLIN C. ADAMS** franklin.adams@bbklaw.com arthur.johnston@bbklaw.com
- **KELLY J. BRINKMAN** kbrinkman@gouldpatterson.com
- **THOMAS R BROOKSBANK** brooksbank1@sbcglobal.net kayal@sbcglobal.net
- **MATTHEW Q. CALLISTER** mqc@callister-reynolds.com maggie@callister-reynolds.com
- **CANDACE C CARLYON** ltreadway@sheacarlyon.com ccarlyon@sheacarlyon.com;
bankruptcyfilings@sheacarlyon.com; rsmith@sheacarlyon.com
- **ROB CHARLES** rcharles@lrlaw.com cjordan@lrlaw.com
- **KEVIN B. CHRISTENSEN** kbchrislaw@aol.com
- **JANET L. CHUBB** jlc@jonesvargas.com tbw@jonesvargas.com
- **JEFFREY A. COGAN** jeffrey@jeffreycogan.com sarah@jeffreycogan.com
- **WILLIAM D COPE** cope_guerra@yahoo.com cope_guerra@yahoo.com
- **CICI CUNNINGHAM** bankruptcy@rocgd.com
- **LAUREL E. DAVIS** bklsclv@lionelsawyer.com ldavis@lionelsawyer.com;
gbagley@lionelsawyer.com; ldavisesq@aol.com
- **THOMAS H. FELL** THF@GORDONSILVER.COM
BANKRUPTCYNOTICES@GORDONSILVER.COM
- **SCOTT D. FLEMING** sfleming@halelane.com dbergsing@halelane.com,
ecfvegas@halelane.com
- **GREGORY E GARMAN** bankruptcynotices@gordonsilver.com
- **WADE B. GOCHNOUR** wgochnour@hwmlvlaw.com donnat@hwmlvlaw.com
- **CARLOS A. GONZALEZ** carlos.gonzalez2@usdoj.gov Darlene.Ruckard@usdoj.gov;

Eunice.Jones@usdoj.gov; Sue.Knight@usdoj.gov

- **GERALD M GORDON** bankruptcynotices@gordonsilver.com
- **TALITHA B. GRAY** tbg@gordonsilver.com bankruptcynotices@gordonsilver.com
- **MARJORIE A. GUYMON** bankruptcy@goldguylaw.com ddias@goldguylaw.com
- **EDWARD J. HANIGAN** haniganlaw@earthlink.net haniganlaw1@earthlink.net
- **XANNA R. HARDMAN** xanna.hardman@gmail.com
- **STEPHEN R HARRIS** steve@renolaw.biz noticesbh&p@renolaw.biz
- **CHRISTOPHER D JAIME** cjaime@waltherkey.com kbernhar@waltherkey.com
- **EVAN L. JAMES** ejameslv@earthlink.net kbchrislaw@aol.com
- **ANNETTE W JARVIS**
- **TY E. KEHOE** TyKehoeLaw@aol.com
- **ROBERT R. KINAS** rkinas@swlaw.com mstrand@swlaw.com; jlustig@swlaw.com; lholding@swlaw.com; imccord@swlaw.com
- **NILE LEATHAM** nleatham@klnevada.com ckishi@klnevada.com; bankruptcy@klnevada.com
- **ROBERT C. LEPOME** robert@robertlepome.com susan@robertlepome.com
- **REGINA M. MCCONNELL** rmcconnell@kssattorneys.com
- **WILLIAM L. MCGIMSEY** lawoffices601@lvcoxmail.com
- **RICHARD MCKNIGHT** mcknightlaw@cox.net gkopang@lawlasvegas.com; cburke@lawlasvegas.com, sforemaster@lawlasvegas.com
- **JEANETTE E. MCPHERSON** bkfilings@s-mlaw.com bkfilings@s-mlaw.com
- **JEANETTE E. MCPHERSON** jmcpherson@s-mlaw.com bkfilings@s-mlaw.com
- **SHAWN W MILLER** bankruptcyfilings@sheacarlyon.com smiller@sheacarlyon.com; aboehmer@sheacarlyon.com; ltreadway@sheacarlyon.com; rsmith@sheacarlyon.com
- **DAVID MINCIN** mcknightlaw@cox.net gkopang@lawlasvegas.com; dmincin@lawlasvegas.com, cburke@lawlasvegas.com, sforemaster@lawlasvegas.com
- **JOHN F MURTHA** jmurtha@woodburnandwedge.com
- **ERVEN T. NELSON** erv@rlbolick.com susan@rlbolick.com

- 1 • **BOB L. OLSON** ecffilings@beckleylaw.com bolson@beckleylaw.com;
- 2 dgriffis@beckleylaw.com
- 3 • **DONNA M. OSBORN** jinouye@marquisaurbach.com dosborn@marquisaurbach.com;
- 4 tszostek@marquisaurbach.com; kgallegos@MarquisAurbach.com
- 5 • **DONALD T. POLEDNAK** sandplegal@yahoo.com spbankruptcy@yahoo.com
- 6 • **PAUL C RAY** info@johnpeterlee.com
- 7 • **SUSAN WILLIAMS SCANN** sscann@deanerlaw.com palexander@deanerlaw.com
- 8 • **LENARD E. SCHWARTZER** bkfilings@s-mlaw.com
- 9 • **SHLOMO S. SHERMAN** ssherman@sheacarlyon.com aboehmer@sheacarlyon.com;
- 10 bankruptcyfilings@sheacarlyon.com; ltreadway@sheacarlyon.com;
- 11 mmallet@sheacarlyon.com; rsmith@sheacarlyon.com
- 12 • **JEFFREY G. SLOANE** gklepel@yahoo.com rmconnell@kssattorneys.com
- 13 • **PETER SUSI** cheryl@msmlaw.com msm@msmlaw.com
- 14 • **JEFFREY R. SYLVESTER** jeff@sylvesterpolednak.com David@sylvesterpolednak.com
- 15 • **CARYN S. TIJSSELING** cst@beesleymatteoni.com aha@beesleymatteoni.com
- 16 • **JOAN C WRIGHT** jwright@allisonmackenzie.com jbrooks@allisonmackenzie.com
- 17 • **MATTHEW C. ZIRZOW** bankruptcynotices@gordonsilver.com
- 18 • **U.S. TRUSTEE - LV - 11** USTPRegion17.lv.ecf@usdoj.gov

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Hale Lane Peek Dennison and Howard
3930 Howard Hughes Parkway, Fourth Floor
Las Vegas, Nevada 89169

and mailed to:

NICHOLAS J SANTORO
400 S FOURTH ST 3RD FLOOR
LAS VEGAS, NV 89101

BRADLEY J STEVENS
3300 N CENTRAL AVE
PHOENIX, AZ 85012

GREGORY J WALCH
400 S FOURTH ST 3RD FL.
LAS VEGAS, NV 89101

GREG GARMAN
3960 Howard Hughes Pkwy
9th Floor
Las Vegas, NV 89109

PAUL A. JACQUES
810 SE 7th Street A-103
Deerfield Beach, FL 33441

SCOTT K. CANEPA
CANEPA, RIEDY & RUBINO
851 S. Rampart Blvd., #160
Las Vegas, NV 89145

/s/ Cyndy Arnold
Employee of Hale Lane Peek Dennison and Howard